(b) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Small Industries Development Bank of India (SIDBI) has reported that since the eligible institutions/banks under SIDBI's refinance scheme assume full credit risk in respect of loans extended by them to SSI units, it has not stipulated any security or margin under its refinance schemes. The eligible institutions and banks are free to obtain security in respect of their term loans as deemed fit. Eligible institutions normally obtain a first charge on the assets of the borrowing SSI units by way of equitable mortgage of fixed assests and hypothecation of movable assets. These assets are usually comprehensively insured against risks such as fire, riot, theft etc.

As regards collateral security, RBI has issued guidelines to commercial banks laying down that in respect of advances over Rs. 25,000, collateral security by way of immovable properties or third party guarantee may be asked for only in cases where primary security is inadequate or for other valid reasons and not as a matter of routine.

Input Data in respect of consumption norms

1688. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that his Ministry are accepting the input data based on the recommendations of DGTD in respect of consumption norms;

(b) whether it is a fact that DGTD consumption norms are not based on actuality but are not theoretical; and

(c) if so, what steps are being taken for final certification from Cost Accounts Branch of his Ministry in respect of consumption norms?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) In respect of studies carried out by the Cost Accounts Branch of the Ministry of Finance for Cost/price determination, consumption norms are arrived at after taking into account several factors such as actual consumption pattern, design norms as per project report etc. Assistance of DGTD in determining consumption norms is sought for only in cases wherever considered absolutely necessary. The input data are based upon the consumption norms evolved by the Cost Accounts Branch in each case.

Complaints against functioning of BIFR

1689. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that complaints against the functioning of Board for Industrial and Financial Reconstruction are growing; and

(b) if so, what steps are proposed to be taken to remove the cause of complaints?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Certain observations regarding time taken in disposal of cases by BIFR have been made and suggestions from various quarters received recommending changes in the Sick Industrial Companies (Special Provisions) Act, 1985. The suggestions for changes in the Act would be considered whenever amendments to this Act are taken up.

Alleged irregularities by General Manager of Ferroscrap Nigam Limited

1690. SHRI RAM AWADHESH SINGH: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the General Manager of Ferroscrap Nigam Limited, a Government of India Undertaking under his Ministry with ulterior motive purchased five Magnetic Separators costing about four crore of rupees which were not fit for operation;

(b) whether it is also a fact that the jobs of regular nature which could easily

to private contractors with a view to earning illegal gratifications;

(c) whether it is also a fact that the General Manager is going to retire in July, 1990 but he is bent upon disturbing the important functionaries of the company by making mass transfers;

(d) whether it is also a fact that General Manager has made one Manager of Rourkela Unit as Unit Head knowing fully well that the said manager's conduct is under C.B.I. investigation; and

(e) if so, what action Government propose to take against the said officers?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) Five Magnetic Separators were purchased and installed during the period from 1985 to 1988 when a Managing Director was in position. These were purchased after a thorough scrutiny by a Committee and are working satisfactorily. The investments made on these have already been recovered,

(b) No, Sir.

(c) The General Manager (Operations) is to retire on the 31st July, 1990 on reaching the age of superannuation. No mass transfer has been done recently.

(d) and (e) The information is being collected and will be laid on the Table of the House

Dispute between NABARD, RBI and the Government of Maharashtra over loans to farmers

1691. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a dispute between NABARD, the Reserve Bank of India and the Maharashtra Government over the loans given to farmers (upto Rs. 10000/-); and

(b) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) No, Sir.

(b) Does not arise.

Measures to prevent the mixing of powerloom cloth with handloom cloth

1692. SHRI KOTAIAH PRAGADA: Will the Minister of TEXTILES be pleased to state:

(a) what measures have been taken to prevent the mixing of powerloom cloth with handloom cloth being exported; and

(b) what has prevented Government from implementing the recommendation made by the High Powered Handloom Committee headed by Shri B. Siva Raman, the then member of the Planning Commission, from identifying the powerloom cloth?

THE MINISTER OF TEXTILES WITH ADDITIONAL CHARGE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) The exports of Indian handloom goods enjoy duty concessions and quota free entry in certain importing countries. The Textiles Committee carries out limited preshipment inspection of such consignments for ensuring handloom origin of the materials.

(b) Government have implemented the recommendations of the High Powered Handloom Committee by enacting Handlooms (Reservation of Articles for Production) Act, 1985 whereby 22 items consisting of cotton, silk, wool and certain kinds of blended fabrics have been reserved for exclusive production in the handloom sector. Government have, however, exempted the following three items from the operation of Reservation Orders solely for the purposes or exports:

(i) 100% Cotton Crepe/fabrics or garments made out of it;

(ii) 100% cotton check shirtings or garments made of it; and

(iii) All pure silk items.

Production of hank yarn

1693. SHRI KOTAIAH PRAGADA: Will the Minister of TEXTILES be pleased to state:

(a) what measures have been taken to